

FORD N. FUCHIGAMI INTERIM DIRECTOR

> Deputy Directors RANDY S. GRUNE AUDREY HIDANO ROSS M. HIGASHI JADINE URASAKI

IN REPLY REFER TO:

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

CONSENT TO SUBLEASE OF STATE LEASE NO. DOT-A-91-0021 PACIFIC AVIATION SERVICES, INC. TO AIRBORNE AVIATION, LLC HONOLULU INTERNATIONAL AIRPORT TMK: (1) 1-1-72: 51

OAHU

LEGAL REFERENCE:

Subsection 171-36 (a) (6), Hawaii Revised Statutes.

LESSEE/SUBLESSOR:

Pacific Aviation Services, Inc., a Hawaii corporation, whose business address is 134 Nakolo Place, Honolulu, Hawaii, 96819

SUBLESSEE:

Airborne Aviation, LLC, a Hawaii corporation, whose business and post office address is 7500 Kula Highway, Kula, Hawaii 96890

LOCATION AND TAX MAP KEY:

Portion of Honolulu International Airport, Honolulu, Island of Oahu, identified by Tax Map Key: 1st Division, 1-1-72: 51

LEASE AREA:

Area/Space No. 009-182, containing a land area of approximately 21,319 square feet, as shown and delineated on the attached map labeled Exhibit A.

SUBLEASE AREA:

Approximately 360 square feet of office space.

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Pacific Aviation Services, Inc. to Airborne Aviation, LLC.

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LEASE TERM:

Thirty (30) years, July 1, 1991 through June 30, 2021.

SUBLEASE TERM:

One (1) year, commencing July 1, 2014 through June 30, 2015.

SUBLEASE RENT:

\$658.35 per month

DCCA VERIFICATION:

LESSEE/SUBLESSOR:

Place of business registration confirmed: Registered business name confirmed: Good standing confirmed:	YES X YES X YES X	NO NO NO
SUBLESSEE:		
Place of business registration confirmed:	YES X	NO
Registered business name confirmed:	YES X	NO
Good standing confirmed:	YES X	NO

CHAPTER 343, HRS – ENVIRONMENTAL ASSESSMENT:

In accordance with the Comprehensive Exemption List approved by the Environmental Council and dated May 22, 2001, the subject request qualifies under Exemption Class 1, "Operations, repairs, and maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing."

ZONING:

State Land Use District:

Urban

City and County of Honolulu:

I-2 (Industrial)

LAND TITLE STATUS:

Section 5(a) lands of the Hawaii Admissions Act – <u>Non-ceded</u>
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES _ NO X

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CHARACTER OF USE:

Hangar Facility

REMARKS:

The State of Hawaii, Department of Transportation, Airports Division, has reviewed the Indenture of Sublease between Pacific Aviation Services, Inc. and Airborne Aviation, LLC, and has no objections to the request, provided that; (1) Pacific Aviation Services, Inc's annual rental be increased to the current fair market rental rate of \$5.43 per square foot, per annum, established and published in the Airports Division Procedure, Procedure No. 4.5 (Schedule of Rates and Charges) for Honolulu International Airport, and (2) the rent may not be revised downward. Such Consent to Sublease is made in accordance with §171-36, HRS.

RECOMMENDATION:

That the Board approve and authorize the Consent to Sublease between Pacific Aviation Services, Inc. as Lessee/Sublessor and Airborne Aviation, LLC, as Sublessee, as hereinabove outlined, subject to: (1) terms and conditions hereinabove outlined, which are by reference incorporated herein; (2) such terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (3) review and approval of the Department of the Attorney General as to the Consent to Sublease form and content.

Respectfully submitted,

FORD N. FUCHIGAMI

Interim Director of Transportation

APPROVED FOR SUBMITTAL:

Chairperson and Member

